

United States Department of the Interior



BUREAU OF LAND MANAGEMENT Rawlins Field Office P.O. Box 2407 (1300 North Third Street) Rawlins, Wyoming 82301-2407

In Reply Refer To: 1790

September 8, 2005

Re: Scoping Notice - Creston/Blue Gap II Natural Gas Development Project Environmental Impact Statement

Dear Reader:

The Bureau of Land Management (BLM) is planning to prepare an Environmental Impact Statement (EIS) for a proposed natural gas development project to be known as the Creston/Blue Gap II Natural Gas Development Project.

Devon Energy Corporation, et all., has indicated their intent to drill and develop oil and gas resources in the Bureau of Land Management (BLM), Rawlins and Rock Springs Field Offices, within Carbon and Sweetwater Counties, Wyoming. The proposed project is located within Townships 14 through 19 North, Ranges 91 through 94 West, 6th Principal Meridian, Wyoming.

A scoping notice has been prepared for your review and information, both as an introduction to the proposed project and as a review of the basic procedures we intend to follow in the preparation of the EA. The scoping process is an opportunity for you to participate in the earliest phase of environmental assessment for the Creston/Blue Gap II Project. We encourage your input and comments on the project. Information and comments you provide will enable us to assess alternatives for consideration in the environmental assessment.

We are conducting scoping for 60 days. If you are interested in participating in the scoping process, we request that you respond by supplying your written or e-mailed comments or concerns about the proposed activity by November 7, 2005. Please submit your comments to:

Eldon Allison, Project Manager
Bureau of Land Management
Rawlins Field Office
P.O. Box 2407
1300 North Third Street
Rawlins, Wyoming 82301

E-mail: rawlins wymail@blm.gov

A link to the Scoping Notice will be posted on the Bureau of Land Management national homepage at:

http://www.blm.gov/nhp/spotlight/state info/planning.htm

Your response is important and will be considered in the environmental analysis process. If you do respond, we will consider your comments in the analysis for the project. Please note that public comments submitted for this scoping review, including names, e-mail addresses, and street addresses of the respondents, will be available for public review and disclosure at the above address during regular business hours (7:45 a.m. to 4:30 p.m.), Monday through Friday, except holidays. Individual respondents may request confidentially. If you wish to withhold your name, e-mail address, or street address from public review or from disclosure under the Freedom of Information Act, you must state this plainly at the beginning of your written comment. Such requests will be honored to the extent allowed by law. All submissions from organizations or businesses, and from individuals identifying themselves as representatives or officials of organizations or businesses, will be made available for public inspection in their entirety.

Thank you again for your interest in this process. If you have any questions regarding the project, your role, or our responsibilities, please contact Eldon Allison, Project Manager, at the address shown above or phone (307) 328-4291.

Sincerely,

Mark Storger
Field Manager

Enclosure

PUBLIC SCOPING NOTICE FOR CRESTON/BLUE GAP II NATURAL GAS DEVELOPMENT PROJECT

BUREAU OF LAND MANAGEMENT RAWLINS FIELD OFFICE

DESCRIPTION OF PROPOSAL

Devon Energy Production Company, LP (Devon) has notified the United States Department of Interior (DOI) Bureau of Land Management (BLM), Rawlins Field Office (RFO), that Devon and other operators, including Anadarko, Anderson Oil Company, Cornerstone Natural Resources, Petrogulf, Questar, Yates, and BP America intend to drill additional exploration and development wells in the Creston/Blue Gap II Project Area (CBGIIPA). The proposed CBGIIPA is generally located in Townships 14 through 19 North and Ranges 91 through 94 West, in Carbon and Sweetwater Counties, Wyoming, as shown in the Exhibit 1. The project area is entirely within the Rawlins Field Office management area.

The CBGIPA presently contains several active fields which are predominantly spaced at eight wells per section for drilling in the Lance, Lewis, and Mesaverde Formations. In addition, this area contains several active Federal Units, some of which are subject to current drilling programs. The CBGIPA has active producing wells, with accompanying production-related facilities, roads, and pipelines. The project area consists of approximately 184,000 acres, with surface ownership of 71% federal, 26% private, and 3% State of Wyoming. Devon and the other operators estimate surface disturbances of 4,606 acres (2.5% of project area) initially, and 2,606 acres (1.4% of project area) life-of-project.

The BLM has advised Devon and the other operators that an environmental impact statement (EIS) of the proposed development project will be necessary.

For purposes of conducting an environmental analysis, Devon and the other operators have indicated that an additional 1,250 wells at 1,000 well locations may be drilled in the CBGIIPA. Some of these wells may be classified as exploration or delineation wells because natural gas production potential has not been fully defined due to geological complexities. Where production potential is better known, wells would be classified as in-fill or development wells. Drilling is expected to last for approximately 10 to 15 years, with a life-of-project (LOP) of 30-50 years.

The Creston/Blue Gap II Area is currently accessed by an existing road network developed to service existing drilling and production activities. The drilling of any additional wells within the analysis area would require the construction of additional roads. The gas produced within the analysis area would be transported by existing pipelines and new pipelines, including new gathering lines with tie-ins to existing interstate pipelines. Additional new compression and produced water injection wells/evaporation pits are also proposed.

RELATIONSHIP TO EXISTING PLANS AND DOCUMENTS

Great Divide Resource Management Plan - The Great Divide Resource Management Plan (GDRMP) (November 8, 1990) provides management direction for resources contained within the Rawlins Field Office area. The objective for management of oil and gas resources, as stated in the GDRMP, is to provide for leasing, exploration, and development of oil and gas while protecting other resource values. This RMP is currently being revised under the title of Rawlins Resource Management Plan. A Draft EIS for the Rawlins RMP was released in December 2004. The completion date of the Rawlins RMP Final EIS

is uncertain at this time. A decision for the Creston/Blue Gap II Natural Gas Project (C/BG2 Project) will not be made nor implemented until after a Record of Decision is issued for the Rawlins RMP FEIS.

Creston/Blue Gap Natural Gas Project Environmental Impact Statement and Record of Decision (USDI-BLM 1994a) was approved on October 4, 1994, and provides an analysis of the environmental consequences of a proposed natural gas development project in the same area as the proposed project. The BLM's decision allowed a maximum of 275 wells on 250 locations on a 160-acre spacing pattern.

Continental Divide/Wamsutter II Natural Gas Development Environmental Impact Statement (USDI-BLM 1999a) includes the Continental Divide area combined with the GWA II area. The combined project area is generally located in Townships 15 through 23 North, Ranges 91 through 99 West, in Sweetwater and Carbon Counties, Wyoming. The total combined area encompasses approximately 1,061,200 acres. This project is located west and north of the CBGIIPA.

The CD/WII EIS provides an assessment of environmental impacts associated with development of 3,000 natural gas wells. Based on that assessment, the BLM approved development of up to 2,130 wells, 50 percent on federal lands within the project area, beginning in 1999 and continuing for approximately 20 years, with a project life of 30 to 50 years. Various associated facilities (e.g., roads, pipelines, power lines, water wells, disposal wells evaporation ponds, compressor stations, etc.) would also be constructed.

Desolation Flats Natural Gas Field Development Project Environmental Impact Statement (USDI-BLM 2004 was approved on July 27, 2004. This natural gas development project area is generally located in Townships 13 through 16 North and Ranges 93 through 96 West in Carbon and Sweetwater counties. The total project area includes approximately 233,542 acres.

This EIS provides analysis of environmental impacts in the Desolation Flats project area, with development activities beginning in 2004 and surface disturbing activities continuing for 20 years. Natural gas production is estimated to span 30 to 50 years. Approved project components include 385 wells located on 361 locations with associated roads, pipelines, and ancillary facilities. Total new project related short-term disturbance is estimated at 4,923 acres.

Use Authorizations - Use authorizations (i.e., rights-of -way, permits, etc.) for roads, powerlines, pipelines, and well site facilities would be processed through the BLM Application for Permit to Drill (APD) and Sundry Notice permitting process.

Lease Stipulations - Some leases within the proposed area include special stipulations on occupancy. These are in addition to the standard lease terms. These stipulations are designed to protect surface resources such as soils, water, and wildlife by restricting periods of activity and areas of disturbance. Application of these lease stipulations will be handled on a case-by- case basis for each APD submitted to the BLM.

NATIONAL ENVIRONMENTAL POLICY ACT COMPLIANCE

On reviewing the Operator's proposal, the BLM has determined that permitting this project would constitute a major federal action that could significantly affect the quality of the human environment. Pursuant to NEPA and Council on Environmental Quality regulations on implementing NEPA, the BLM is preparing an EIS that will describe and evaluate the probable impacts of the Creston/Blue Gap II Proposed Action and alternatives. The purpose of an EIS is to provide the public and decision-makers with sufficient information to understand the environmental consequences of the proposal and to identify and develop appropriate mitigation measures to minimize environmental impacts.

One element of the NEPA process is scoping. Scoping activities are initiated early in the process to:

- identify reasonable development alternatives to be evaluated in the EIS;
- identify environmental/socio-economic issues of concern related to the proposed project; and
- determine the depth of analysis for issues addressed in the EIS.

Additionally, NEPA requires that a "no action" alternative be considered in all environmental documents. This will allow a comparison of the economic and environmental consequences of the proposed and alternative development levels versus current development levels and existing environmental conditions. The No Action Alternative would deny the proposal as submitted but would allow consideration of individual APDs and ROWs on federal lands on a case-by-case basis through individual project and site-specific environmental analyses. "No Action" in the context of this analysis does not evaluate leasing nor the elimination or modification of existing leases. Operational activities relating to the existing oil and gas development would continue as authorized including transportation of natural gas products, maintenance activities and reclamation work. Additional gas development could occur on State and private lands within the project area under APDs approved by the WOGCC.

This scoping statement has been prepared to enable government agencies, the general public, and other interested parties to participate in and contribute to the analysis process. Public input is important in establishing the scope of analysis for any NEPA document and the BLM encourages public participation.

IDENTIFIED RESOURCE MANAGEMENT ISSUES, CONCERNS, AND OPPORTUNITIES

The following issues and concerns have been identified by the BLM to date. It is not meant to be an all-inclusive list, but rather a starting point for public input and a means of identifying the resource disciplines needed to conduct the analysis.

- potential impacts to wildlife habitats within the analysis area, including big game crucial winter range, sage grouse, and raptors
- road development, Increased traffic and associated impacts on existing County, State, and BLM roads
- social and economic impacts
- impacts to surface and groundwater resources, including sedimentation/salinity to the Colorado River system
- potential impacts to steep slopes and sensitive soils within the project area
- impacts from emissions resulting from additional drilling and production activities
- reclamation of disturbed areas and control of noxious weed invasions
- potential conflicts with livestock management operations in the analysis area, including possible impacts to range improvements
- potential impacts to cultural and historical values within the analysis area
- potential impacts to Native American sacred sites and Traditional Cultural Properties

- potential impact to listed, or proposed for listing, plant and animal species, including potential Colorado River depletion and effects of downstream listed fish species
- cumulative effects of drilling and development activities when combined with other ongoing and proposed developments on lands adjacent to the Creston/Blue Gap II project area
- impacts to recreation
- potential impacts to paleontological resources
- impacts to wild horses in or near the project area
- Visual Resource Management and potential impacts within or adjacent to the Creston/Blue Gap II project area

INTERIM DRILLING ACTIVITIES

While the Creston/Blue Gap II environmental analysis is being conducted, the BLM may allow limited drilling of directional wells within the proposed project area. Also, approved APDs may be "traded" for a new APD at a different location. Interim drilling will be monitored by the BLM to ensure activities do not adversely affect the environment or prejudice the completion of the Creston/Blue Gap II environmental analysis.

TIMING NEEDS OR REQUIREMENTS

Public input is important in establishing the level and scope of the analysis. The public is encouraged to participate during the scoping process to help identify the scope of the analysis needed, alternatives to the proposed action, other issues or concerns that should be analyzed, mitigative opportunities, and any other comments or ideas to help ensure the completeness of the analysis process.

Your comments are due by November 7, 2005. Please submit your comments to:

Eldon Allison, Project Coordinator Bureau of Land Management Rawlins Field Office 1300 North Third Street Rawlins, Wyoming 82301-4376

Email: rawlins_wymail@blm.gov (Please refer to Creston/Blue Gap II in your email response)

A Public Meeting to discuss the proposed project has been scheduled to begin at 7 p.m. on the following date and location.

October 13, 2005

Jeffrey Memorial Community Center
315 West Pine Street
Rawlins, Wyoming 82301

PUBLIC PARTICIPATION

The following individuals and organizations will receive a copy of this scoping statement:

FEDERAL OFFICES

Department of the Interior` Bureau of Land Management

Bureau of Reclamation

Representative Barbara Cubin Senator Mike Enzi

Senator Craig Thomas

Natural Resource Conservation Service

Minerals Management Service Bureau of Indian Affairs

National Park Service

Federal Highway Administration

Geological Survey

Army of Corps of Engineers **Environmental Protection Agency**

Fish and Wildlife Service

Forest Service

Department of Energy DOI Office of the Solicitor

Federal Energy Regulatory Commission

Office of Environmental Policy and Compliance

Office of Surface Mining

STATE AGENCIES

Governor

State Engineer's Office Water Development Commission

Wyoming State Planning Coordinator

Wyoming Department of Environmental Quality Wyoming Department of Transportation Wyoming Oil and Gas Conservation Commission

Office of State Lands and Investments Wyoming Department of Agriculture Department of Revenue, Ad Valorem Tax

Wyoming State Geological Survey Little Snake Conservation District

Wyoming Board of Outfitters and Professional Guides

Wyoming State Forestry Wyoming Travel and Tourism

Wyoming Water Development Commission

Wyoming State Engineer's Office

Wyoming Department of Employment

Wyoming Pipeline Authority

Wyoming Game and Fish Department

State Representatives

Wyoming State Historic Preservation Office

Wyomina Business Council

Wyoming Recreation Commission Wyoming State Trails Program Wyoming Public Service Commission

Wyoming Livestock Board Wyoming State Grazing Board

Sweetwater County Conservation District

COUNTY GOVERNMENT

Carbon County Commissioners **Sweetwater County Commissioners** Carbon County School District #1 Sweetwater County School District #1

Carbon County Library System

Carbon County Planning Commission Sweetwater County Planning Commission Carbon County Cooperative Extension Service Sweetwater County Solid Waste #2 Sweetwater County Library System

MUNICIPALITIES

Town of Baggs City of Rawlins Town of Dixon

Town of Wamsutter City of Rock Springs Baggs Solid Waste District

NATIVE AMERICAN TRIBES

Eastern Shoshone Tribe Northern Arapaho Tribe

Ute Tribe

Cheyenne River Sioux Tribe

Crow Tribe

Northern Cheyenne Tribe Oglala Lakota Nation Rosebud Sioux Tribe Shoshone-Bannock Tribes

GRAZING PERMITTEES

4-Mile Sheep Matt and Sherry Weber

Adams and Adams H. Lee

Andy and Argie Peroulis Montgomery Livestock Co.

Three Forks Ranch Corp. Sam Morgan

Purple Sage, LLC

Sheehan Ranches

Mike and Doug Sheehan

Lee and Donna Jons

John and Sons Peroulis

Stratton Sheep Company

Three Mill Iron Ranch Rock Springs Grazing Association

Robert Orchard Ray and Kathleen Weber Ladder Livestock Co., LLC Rodewald Grazing Assoc., LLC

James L. Jr., and Patricia Ann Chant Salisbury Livestock Co. Fill-more Beef, LLC

LEASE AND ROW HOLDERS

Anadarko E & P Company LP Anderson Oil Company

Cornerstone Natural Resources, LLC

Questar Exploration and Production Co.

BP America Production Co.

Williams Gas Processing Company
Colorado Interstate Gas Company
Westport Oil and Gas Company, Inc.

Questar Pipeline Company

CNG Producing Company

Cuestar Pipeline Company

Cabot Oil and Gas Company

Cabot Oil and Gas Company

Devon Energy Corporation

Double Eagle Petroleum & Mining Company H.B. Hillman Trust

D. B. Hillman

Carol Ann Hoffman

HLR, Trust

William E. Jeffers

Lario Oil and Gas Company

J.H. Marshall II Trust

William Moss Northern Geophysical

Don Parsons Phillips Petroleum Company
Petrogulf Corporation Plains Petroleum Operating Company

Quantum Geophysical John B. Roden Jr.

Samson Resources Company

T.H. McElvain Oil and Gas, Ltd.
Texaco Exploration and Production, Inc.

True Oil Company

Texaco Exploration and Production, Inc.

True Oil Company
Union Pacific Wyoming Gathering, Inc.

True Oil Company
Union Pacific Resources Company

Veritas DGC Land, Inc.

Arthur W. Winter Trust

WYGAP Wyoming Exploration, Ltd.

Yates Petroleum Company Estate of Lillie M. Yates
Forest Oil Corporation John P. Strang

W.A.. Moncrief Jr. Costilla Energy, Inc.
Corbin J. Robertson Lamar B. Roemer
Irwin Rubenstein

LANDOWNERS

All private landowners are included under one of the above categories.

LOCAL MEDIA

Casper Star-Tribune Rawlins Daily Times

Rocket Miner - Rock Springs Wyoming State Tribune/Eagle

KRAI - Craig, Colorado Green River Star KRAL/KIQZ - Rawlins Moffat County Morning News KTWO TV/KTWO Radio - Casper KQSW/KRKK/KSIT - Rock Springs

KUWR - University of Wyoming Northwest Colorado Daily Press

Meeker Herald Times/Rangely Times Craig Daily Press KMKX - Rock Springs KUGR - Green River **KYCS - Rock Springs** KFNB TV - Casper KGWC CBS 14 - Casper KCWY TV - Casper

OTHER AGENCIES, INDUSTRY REPRESENTATIVES, INDIVIDUALS, AND ORGANIZATIONS

Audubon Society National Wildlife Federation Wilderness Society Carbon County Stockgrowers

The Nature Conservancy Field Museum of Natural History Wyoming Association of Professional Archeologists Wind River Multiple Use Advocates

Rock Springs Grazing Association Wildlife Management Institute

University of Wyoming, Geology Museum Independent Petroleum Association of Mountain States

Petroleum Association of Wyoming **Environmental Defense** Public Lands Advocacy Sierra Club

Wyoming Farm Bureau Federation Wyoming Outdoor Council

Wyoming Stockgrowers Association Wyoming Woolgrowers Association Wyoming Wildlife Federation **Dolar Oil Properties**

Carbon County Coalition Wyoming Business Alliance

Biodiversity Conservation Alliance Sinapu

Defenders of Wildlife Wyoming Advocates for Animals Animal Protection Institute ISPM & B

Wildlife Habitat Council **Predator Project** International Association of Fish and Wildlife Agencies Public Lands Foundation

The Fund for Animals/Animal Welfare Institute Natural Resources Defense Council American Horse Protection Association Hooved Animal Humane Society

Earthjustice Legal Defense Fund, Inc. Wildlife Management Institute Oil and Gas Accountability Project Wyoming Conservation Alliance Wyoming Association of Municipalities Western Ecosystems

Alliance for Historic Wyoming Land and Water Fund of the Rockies Wyoming Natural Diversity Database Izaak Walton League

Rawlins Downtown Development Authority

North American Pronghorn Foundation Motorized Recreation Council of Wyoming Three-Shot Sage Grouse Foundation

Friends of the Red Desert Wyoming Sportsman's Association Wyoming Outfitters Guide Association Wyoming Wilderness Association

Sweetwater Wildlife Association Western Wyoming Mule Deer Foundation

Western Wyoming Archeological Services **OCTA** Rock Springs Chamber of Commerce Southwest Wyoming Mineral Association Southwest Wyoming Industrial Association Sweetwater County Historical Society

Western Watersheds Project Wyoming People for the USA

Grouse Inc.

Wild Horse Organized Assistance

Natural Resources Defense Fund

People for the West Colorado River Basin Salinity Control Forum

> National Wild Horse Association American Mustang Association

Whole Horse Institute

Approximately 20 additional "Other Agencies, Industry Representatives, Individuals, and Organizations" received a copy of the Scoping Notice.

